

EXHIBIT 8



H.E. SERVICES • 225 E. MORLEY DR. • SAGINAW, MI 48601 • (989) 753-9015 • FAX (989) 753-7703

November13, 2001

Delphi Steering Systems
3900 Holland Road
Saginaw, Michigan 48601
Attn: Bruce Waslusk

Subject: Ex-Cell-O Grinding machine

Dear Bruce,

On July 25,2001 there was a meeting at the Prototype Center to discuss the Ex-Cell-O program and in particular the payment schedule for the machine.

In that meeting, you made the decision to make a consistent monthly payment instead of the volume driven variable monthly payment schedule as stated in the P. O. We were in agreement with this decision. You were provided a loan payment schedule by Tim Fortier in a letter dated July 31,2001. I have updated this through Nov 2001 and a copy is attached for your use. The monthly payment amount would now be \$20,235.65 for 36 months. The Machine is scheduled to arrive the second week of December of this year and we would really appreciate it if you could start the first payment in that month.

The part cost was revised and provided to you in a letter from Barry Torrey dated June 19, 2001 and a copy is attached for your reference. This latest pricing should be reflected in the re-issued P.O. as well as all other conditions of the quote as stated in this letter.

If you have any questions or need additional information please feel free to contact me.

Regards,

A handwritten signature in cursive script that reads 'Joseph A. Stearns'.

Joseph A. Stearns
VP Engineering and Manufacturing

Attachments:

Cc. Robert Backie
Tim Fortier

**-HES ENGINEERING / TESTING
MANUFACTURING**

H E. SERVICES • 5117 S. DORT HWY • FLINT, MI 48507 • (810) 743-4900 • FAX (810) 743-8400

July 31, 2001

Delphi - Saginaw
3900 Holland Road
Saginaw, MI 48601-9494
Attn: Bruce Waslusk

Dear Bruce:

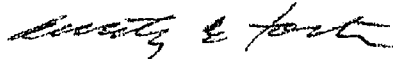
The monthly payment schedule for the Exello is as follows:

<u>Description</u>	<u>Original Monthly Cost</u>	<u>Interest Income</u>	<u>Present Monthly Cost</u>
Three year term	\$20,592.00	\$301.00	\$20,291.00
		356.35	\$ 20,235.65

Based on effective start date of October 1, 2001.

The costs include projected costs for payments of principle, interest and associated machine developmental costs minus interest costs while funding was maintained in a liquid account. If you require additional information, you may contact Joe Stearns (989) 753-9015 or me at the above number.

Sincerely Yours,



Timothy E. Fortier
President

Attachment

H.E. Services

Purchase / Debt -- Excello Machine

Summary of Net Debt Payments

Total Principal Payments	\$622,000.00
Total Interest Expense	<u>\$87,598.33</u>
Total Debt Payments	\$709,598.33
Less: Interest Income	<u>(12,828.75)</u>
Net Debt Service	<u>\$696,769.58</u>
Monthly Payments over 36 Months	<u>\$19,354.71</u>

Summary of Debt Terms

Closing Date	11/13/2000
Initial Loan Balance	\$622,000.00
Number of Payments	36
Ending Loan Balance	\$0.00
Interest Expense Rate	9.75%
Interest Income Rate	2.70%

H.E. Services

Purchase / Debt -- Excello Machine

Summary of Total Debt Payment & Interest Earned

Payment Number	Payment Dates	Beginning Loan Balance	Principal	Interest Expense	Ending Loan Balance	Total Payment	Estimated Interest Earned on Saving Balance
1	01/01/2001	\$622,000.00	\$17,277.78	\$5,053.75	\$604,722.22	\$22,331.53	\$1,360.63
2	02/01/2001	604,722.22	17,277.78	4,585.81	587,444.44	21,863.59	1,321.75
3	03/01/2001	587,444.44	17,277.78	4,454.79	570,166.67	21,732.56	1,282.88
4	04/01/2001	570,166.67	17,277.78	4,323.76	552,888.89	21,601.54	1,244.00
5	05/01/2001	552,888.89	17,277.78	4,192.74	535,611.11	21,470.52	1,205.13
6	06/01/2001	535,611.11	17,277.78	4,061.72	518,333.33	21,339.50	1,166.25
7	07/01/2001	518,333.33	17,277.78	3,930.69	501,055.56	21,208.47	1,127.38
8	08/01/2001	501,055.56	17,277.78	3,799.67	483,777.78	21,077.45	1,088.50
9	09/01/2001	483,777.78	17,277.78	3,668.65	466,500.00	20,946.43	1,049.63
10	10/01/2001	466,500.00	17,277.78	3,537.63	449,222.22	20,815.40	1,010.75
11	11/01/2001	449,222.22	17,277.78	3,406.60	431,944.44	20,684.38	971.88
12	12/01/2001	431,944.44	17,277.78	3,275.58	414,666.67	20,553.36	
13	01/01/2002	414,666.67	17,277.78	3,144.56	397,388.89	20,422.33	
14	02/01/2002	397,388.89	17,277.78	3,013.53	380,111.11	20,291.31	
15	03/01/2002	380,111.11	17,277.78	2,882.51	362,833.33	20,160.29	
16	04/01/2002	362,833.33	17,277.78	2,751.49	345,555.56	20,029.26	
17	05/01/2002	345,555.56	17,277.78	2,620.46	328,277.78	19,898.24	
18	06/01/2002	328,277.78	17,277.78	2,489.44	311,000.00	19,767.22	
19	07/01/2002	311,000.00	17,277.78	2,358.42	293,722.22	19,636.19	
20	08/01/2002	293,722.22	17,277.78	2,227.39	276,444.44	19,505.17	
21	09/01/2002	276,444.44	17,277.78	2,096.37	259,166.67	19,374.15	
22	10/01/2002	259,166.67	17,277.78	1,965.35	241,888.89	19,243.13	
23	11/01/2002	241,888.89	17,277.78	1,834.32	224,611.11	19,112.10	
24	12/01/2002	224,611.11	17,277.78	1,703.30	207,333.33	18,981.08	
25	01/01/2003	207,333.33	17,277.78	1,572.28	190,055.56	18,850.06	
26	02/01/2003	190,055.56	17,277.78	1,441.25	172,777.78	18,719.03	
27	03/01/2003	172,777.78	17,277.78	1,310.23	155,500.00	18,588.01	
28	04/01/2003	155,500.00	17,277.78	1,179.21	138,222.22	18,456.99	
29	05/01/2003	138,222.22	17,277.78	1,048.19	120,944.44	18,325.96	
30	06/01/2003	120,944.44	17,277.78	917.16	103,666.67	18,194.94	
31	07/01/2003	103,666.67	17,277.78	786.14	86,388.89	18,063.92	
32	08/01/2003	86,388.89	17,277.78	655.12	69,111.11	17,932.89	
33	09/01/2003	69,111.11	17,277.78	524.09	51,833.33	17,801.87	
34	10/01/2003	51,833.33	17,277.78	393.07	34,555.56	17,670.85	
35	11/01/2003	34,555.56	17,277.78	262.05	17,277.78	17,539.82	
36	12/01/2003	17,277.78	17,277.78	131.02	0.00	17,408.80	
Total Payments & Interest Income			\$622,000.00	\$87,598.33		\$709,598.33	\$12,828.75



→ **PROTOTYPE / MACHINE**

(A Division of H.E. Services)

1755 Wicco Rd. • Saginaw, Michigan 48601 • (517) 755-0328 • FAX (517) 755-0330

TO: Bruce Waslusk
FROM: Barry Torrey
DATE: June 19, 2001
RE: Delphi's RFQ. No. S30000009, Inner & Outer Race (RE-QUOTE)

We are pleased to submit the following re-quote. Upon further evaluation over the last six months of dealing with ExCello and the trip that was made to Excello, we are submitting this re-quotation. Once the machine is on our floor and in operation, we will strive to reduce the costs through improved cycle times and efficiency.

Inner and Outer Races made from bar stock:

<u>Part Cost</u>	<u>Excello Machine Cost</u>	<u>Total Cost</u>
\$119.25	\$35.30	\$154.55

Inner and Outer Races made from provided blanks:

<u>Part Cost</u>	<u>Excello Machine Cost</u>	<u>Total Cost</u>
\$96.75	\$35.30	\$132.05

- Price based on \$622,000 Purchase of Excello Model XG-690.
- Three year contract doing minimum of 3454 pcs. Inner Races and 3569 pcs. Outer Races per year.
- Ancon to provide all maintenance and repair to the Excello Machine.
- Three H.E. Services employees to be trained by Excello.
- All equipment and estimated 1000 sq. ft. to be dedicated solely to Delphi. Includes storage space for raw material and blanks.
- Delphi to provide all steel, blanks, heat treating, broaching, and cold forming of splines and threads for races.
- All tooling and special equipment necessary to produce inner and outer races to be provided by Delphi.
- Ancon to provide fixturing and tooling with prints for new design changes at additional cost to Delphi.
- Additional requirements subject to price adjustment if necessary.
- Races will be inspected on a Zeiss Prismo Vast (CMM) at our A2LA Certified Facility.
- QS-9000 Certified/Air Conditioned Plant.
- Minority Owned Business Enterprise (MBE) and is a recognized Delphi Equal Partner.
- We will be able to do hard milling upon receipt of tooling cost along with set-up and run times.
- Engineering development time will be quoted at \$65 per hour, time and a half on Saturdays, and double time on Sundays.
- Price reduction after the first year for the next 2 years will be 3%, 3%.
- The Excello Machine will be dedicated to Delphi for an 8 year period.